

**HASTINGS ECONOMIC DEVELOPMENT & REDEVELOPMENT
AUTHORITY**

August 10, 2023 - 6:00 pm.

HASTINGS CITY COUNCIL CHAMBERS

I. Quorum

II. Minutes

Please see the attached HEDRA Meeting minutes from the July 13th Regular Meeting for your review and approval.

III. Bills

July Bills

Levander Miller and Gillen	\$937.00	Ries Addition Land Sale – Legal (sale proceeds to cover)
Levander Miller and Gillen	\$937.00	Admin – Legal
Precision Landscaping	\$240.00	Block 28 – Maintenance - Lawn

Please see attached general ledger detail for further information.

IV. Business

A. Authorize Signature: Agreement for Professional Services – Evoke Partners

In a continued effort to increase the visibility of the 55 acre shovel ready development site, Staff supports continuing utilizing a real estate brokerage service. Previously, the City entered into an agreement with Rokos Advisors. Due to staffing changes and wanting to maintain the relationships built with the broker, Staff opted to not renew the contract with Rokos, instead pursuing a contract with Evoke Partners.

Evoke Partners would provide the following to market the site:

- Offering memorandum and marketing brochures
- Paid online listings
- National reach marketing
- Individual Developer engagement
- Signage and advertising
- Renderings and pro forma underwriting
- End user package
- Monthly update on prospects activity and other interest in the shovel ready site.

Evoke Partners would be compensated only upon successful sale of the property. The compensation amount would be 3% of the sale price without utilization of a price reduction incentive. Broker fee will be added to the gross purchase price of the real property to be paid by the buyer.

Action: Motion to authorize signature of exclusive brokerage agreement between HEDRA

and Evoke Partners.

B. Authorize Signature: Proposal for Relocation Services – SRF Consulting Group, Inc.

In the continued commitment to the redevelopment of Block 28, the City engaged with SRF Consulting Group to generate an agreement to provide relocation services for all occupants of 418 Vermillion Street. The services will be provided for two businesses, a single chair barber and a billboard, and two residential apartment units that will need to be vacated. The estimated cost of services is \$10,500.00, but that may change if the scope is altered.

SRF Consulting Group would provide the following:

- Distribute informational booklets and data on business relocation assistance
- Provide assistance with Moving Expense Claims
- Provide assistance with Direct Lost Claims
- Provide assistance with Fixed Payment Claims

Action: Motion to authorize signature of exclusive relocation service agreement between HEDRA and SRF Consulting Group, Inc.

V. Reports and Information

A. Open to Business 2nd Quarter Report

MCCD has submitted the 2023 Q2 report which indicates that 13 Hastings businesses and 8 Hastings residents have reached out to, and received, small business guidance from the Open to Business Program. MCCD also highlighted in their 2023 Q2 report that 2 Hastings businesses have received financing from MCCD.

B. Development Updates

New Information:

The Confluence – Work is nearing completion! It appears opening will occur in August.

Augustine Property Development – On August 7th, the City Council will review an escrow agreement to complete a municipal utility study for the potential annexation and development of property at the western limits of the City, north of 15th Street past Jacob Avenue. Upon results of the study the property owners would likely seek annexation and development.

315 Pine Street - Thorwood – On August 7th the City Council will review plans for a Special Use Permit for use of the first floor area for a 25-30 person meeting space. Plans for structural engineering are being reviewed and work continues.

KFC – Construction is progressing on the new KFC on the northwest corner of 18th and Vermillion (former Erickson Freedom Gas Site). Foundation work is complete and walls are being erected.

Shepard of the Valley - Townhomes – Staff has reviewed concept plans for approximately 15 townhome units east of Shepard of the Valley Church located near 4th Street and Whispering Lane. City Council approved a minor subdivision to split the church land from the development site at the July 17th Meeting.

Ries Addition – Consists of a two lot rural subdivision located at Spiral Blvd and Glendale Road. Both lots are 10 acres and would not contain urban services. City Council approved the subdivision on July 17th.

Tyler Street Landing Apartments (Luke Siewert) – 32-unit apartment building at 3rd and Tyler Streets. HEDRA approved 3rd Amendment to Purchase Agreement on July 13th extending approvals to August 1, 2024. City Council took similar actions on the Site Plan and Plat approvals, also extending to August 1, 2024. Dakota County has extended the \$250,000 Redevelopment Incentive Grant for the site to December 31, 2023.

Heritage Ridge – Grading activities have commenced for the final addition of the 116-lot single family residential development near General Sieben Drive and Northridge Drive. City Council approved a one year extension on the final phase of the project at the July 17th meeting.

Previous Information:

418 Vermillion Street – Dicks Barber – HEDRA purchased the property on May 30th. A two-year lease has been executed to allow operation of the existing tenants. A blight study is being conducted to determine TIF eligibility and we are reviewing a contract for potential payments to tenants.

South Oaks 4th Addition – Plans for the development of the 33-unit single family housing development have been submitted southwest of 31st Street and Century Drive.

Regina Assisted Living Addition – Regina plans to reconfigure a parking lot due to interior renovations at their 1008 1st Street W building. City Council approved on June 26th.

Dakota County Law Enforcement Addition – Plans for a 13,000 s.f. Integrative Health Unit have been submitted. City Council approved on June 26th.

Hastings Theater – 1313-1325 South Frontage Rd – Hastings Theatre has closed, and the property has been sold to Meridian Real Estate Holdings LLC. Staff is unsure of development plans.

Green Mill – 909 Vermillion Street – Camegaran LLC's franchise agreement with Green Mill will discontinue and the restaurant will be closing at the end of June. The owner will be seeking another restaurant for the space.

Lake Isabelle Flats (NJS Stencil Apartment) – Exterior framing is complete, and work is commencing on interior units for the 89-unit apartment building at 3rd and Bailey. A Fall

2023 opening is planned.

Current 33 Apartments – Exterior framing is complete, and work is commencing on interior units for the 105-unit apartment building at 33rd and Vermillion.

United Heroes League - Outdoor Refrigerated Rink – Plans have been submitted for the rink. City Council approved an Interim Use Permit to construct an outdoor refrigerated rink along with temporary parking at their 15211 Ravenna Trail campus.

Therapy OPS – Exterior framing is complete on the new 2,300sf therapy building located at the northwest corner of Westview Drive and South Frontage Rd (adjacent to Auto Zone). A summer opening is anticipated.

114 West 5th Street – As of April 27th, HEDRA is now the proud owner of the single-family house across from the fire station.

Vermillion Acres – Modular components of the building have been delayed and may not be installed until Fall for the 75-unit senior housing facility near County Rd 47 and Riverwood Drive.

Scooter Rental – Spin Scooters were deployed on April 17th. Staff will monitor the scooter activity for any future council action in July.

Walden at Hastings - Best Property Annexation - Redwing Blvd – Land Equity proposes a residential development containing approximately 450 housing units near TH 316 and Michael Avenue. Housing would include single family, twin home, townhome, apartment and senior housing. Many, if not all of the units would be rented. The City Council approved the annexation of property on March 20th. The environmental reviews and traffic impact study is underway.

Suite Living - Senior Housing – Construction is now anticipated during the fall of 2023 for the 32-unit senior housing facility at the southeast corner of 33rd Street and Vermillion. The one-story project consists of both dependent and memory care units.

Villas at Pleasant – More permits have been submitted for construction and work continues on the first model home at the 32-unit subdivision near Northridge and Pleasant.

C. The Confluence

Work is nearly complete on transformation of the former Hudson Manufacturing Building into The Confluence, a historic mixed use building rehabilitation including hotel, restaurant, apartment, and office uses. Over the last 14 years over 30 City Council and HEDRA Commissioners have guided the project to success. A recap of project will be presented at the meeting.

ATTACHMENTS

- Minutes – July 13, 2023, Regular Meeting
- Bills – July 2023
- Agreement for Professional Brokerage Services – Evoke Partners
- Proposal for Relocation Services – SRF Consulting Group
- MCCD Open to Business 2023 Q2 Report

Next Meeting: Thursday, September 14, 2023